REMARKS

Claims 1-43 were pending at the time of the last Office Action. Applicant has canceled claims 5-7 and 41-43 and amended claims 1, 20, 24, 29, 34, and 39. As a result, claims 1-4 and 8-40 are now pending.

Applicant would like to thank the Examiner and Examiner Zia for their consideration during the telephone interview of October 16, 2007. During the interview, applicant's representative described proposed amendments to claim 1 and discussed several differences between that claim and the Briscoe reference. Applicant would like to address a couple of matters discussed during the interview.

First, the Examiner asked about the advantage of generating the sequence of codes by the service consumer rather than by a third party (e.g., a bank). Actually, Briscoe appears to describe that a user generates a sequence of codes based on a random number issued by a bank. (Briscoe, 1:65-2:1.) The advantage of applicant's technique is that a service consumer can both generate the start code and generate the sequence from the start code. The registration process of the claims provides an end code to the service intermediary, but does not recite providing the start code to the service intermediary. Because the service consumer is the only party that need know the start code and because the start code need not be transmitted to any other party, there is no chance of the start code being used in a fraudulent way by another party.

Second, the Examiner noted that if a code is provided with a service request, then the service provider could not provide the service and then fraudulently provide that code to the service intermediary as evidence that the service was provided. A system could adopt different models for providing the code to a service provider depending on whether the service consumer is to assume the risk of paying for a service that is not later provided or the service provider is to assume the risk of providing a service that is not later paid. The service consumer assumes the risk when code is included with a request because the

service provider can use that code as evidence without providing the service. In contrast, the service provider assumes the risk when code is provided after the service is provided because the service consumer might not actually send the code. If codes are provided for a sequence of services, then the risk only relates to the last request in the sequence.

The Examiner has rejected claims 5-7 and 41-43 under 35 U.S.C. § 112, second paragraph, as being indefinite. Although applicant has canceled these claims, applicant would like to make the following observations because of the amendment to claims 1, 24, and 34. Claims 5-7 and 41-43 related to the dispute resolution process performed by the service intermediary as described in ¶¶ 0024 and 0025 of the specification, and not the verifying of a code that is performed when a service request is received by a service provider as described in ¶ 0023 of the specification.

During dispute resolution as described in ¶¶ 0024 and 0025 of the specification, the service intermediary can determine whether the requested services were provided by comparing what the service consumer and the service provider say was the last code that was provided. If they agree on the last code, then the service provider did indeed provide the requested service. If they do not agree, the service intermediary applies the function to the last code of the service provider. If the end code can be reached, then the service provider did indeed provide the requested service. If the end code cannot be reached, then the service provider has not proved that the requested services were provided.

The Examiner has rejected claims 1-4, 8-25, and 29-40 under 35 U.S.C. § 103(a) as being unpatentable over Briscoe and claims 26-28 under 35 U.S.C. § 103(a) as being unpatentable over Briscoe in view of Asokan. Applicant respectfully submits that the newly amended claims are not obvious in view of these references.

All the claims now recite that the service consumer generates the "start code" and then generates the sequence of codes from that start code. For example, claim 1 recites "generating by the service consumer a start code and a sequence of codes starting with the start code." In Briscoe, the bank issues a random number to a user, and the user then

uses a hash function to generate hash values. (Briscoe, 1:63-2:1.) Because the bank issues the random number, Briscoe neither teaches nor suggests that the user or service consumer generates the random number.
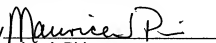
Claims 1-4, 8-18, and 29-40 now recite the dispute resolution as described above. Because the use of a one-way hash function to resolve a dispute is computationally expensive, the service intermediary initially tries to solve the dispute by comparing codes provided by the service consumer and the service provider. If the codes do not match (which is likely to be rare), only then does the service intermediary need to apply the one-way function. Thus, the computational expense likely only needs to be incurred for a small fraction of the disputes. Briscoe's bank, in contrast, always needs to apply its hash function to the hash value provided by a vendor to ensure that that hash value is correct.

Based upon the above amendments and remarks, applicant respectfully requests reconsideration of this application and its early allowance. If the Examiner has any questions, or believes a telephone conference would expedite prosecution of this application, the Examiner is encouraged to call the undersigned at (206) 359-8548.

Applicant believes the required fee is being paid with this response. However, if any additional fee is due, please charge our Deposit Account No. 50-0665, under Order No. 418268002US from which the undersigned is authorized to draw.

Dated: 11 | 19 | 07

Respectfully submitted,

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